

PATENT

Application No. 09/348,566
Attorney Docket No.: 98-120

REMARKS

Claims 1 – 24 and 26-102 were pending in the present application.

Claims 1 – 24, 26-91, and 95-102 will be pending after entry of the new claims presented herein.

Claims 1, 62, 85, 87-91, 95, 101, 102 are independent.

Section 103(a) Rejections

Claims 1 – 24 and 26-102 are rejected as being unpatentable over Scroggie and Woolston. Applicants traverse the Examiner's Section 103(a) rejection.

Applicable Law

During examination, the Examiner bears the burden of establishing a *prima facie* case of obviousness based upon the prior art. To reject claims in an application under Section 103, an examiner must show an un rebutted *prima facie* case of obviousness. If examination at the initial stage does not produce a *prima facie* case of unpatentability, then without more the applicant is entitled to grant of the patent.

The factual predicates underlying an obviousness determination include the scope and content of the prior art, the differences between the prior art and the claimed invention, and the level of ordinary skill in the art.

In order to rely on a reference as a basis for rejection of the applicant's invention, the reference must either be in the field of the applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned.

When a rejection is based on a combination of references, the Examiner can satisfy the *prima facie* burden only by showing some objective teaching leading to the purported combination of references. Lacking a motivation to combine references, there is no *prima facie* case of obviousness.

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or

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motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. Furthermore, **particular findings must be made** as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed. (emphasis added).

A finding of obviousness requires that the art contain something to suggest the desirability of the proposed combination. **In the absence of such a showing**, there is inadequate support for the position that the proposed modification would *prima facie* have been obvious. (emphasis added) The absence of such a suggestion to combine is dispositive in an obviousness determination. (emphasis added).

When the art in question is relatively simple, the opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously. In each case the factual inquiry whether to combine references must be thorough and searching.

Request for References

The Examiner has asserted that "Settlement payments to retailers via credit cards and check cashing cards take place over credit card clearing houses, well known to one of ordinary skill in the art at the time the invention was made." Applicants respectfully request a reference to support this assertion.

The Examiner has asserted that "Penalties were well known" and also that "by providing penalties, sellers can assure themselves that they do not bear the burden of a buyer's delays". Applicants request a reference to support these assertions and in particular to clarify the precise teachings of the prior art. Further, Applicants request clarification as to which of Applicants' claims are being addressed by these assertions.

The Examiner has asserted, "It would have been obvious to one of ordinary skill in the art at the time the invention was made to combine Scroggie and Woolston to disclose commissions and profit margins. One of ordinary skill in the art at the time the invention was made would have been motivated to combine Scroggie and Woolston to disclose commissions and profit margins for the obvious reason that incentives such as disclosed by Scroggie often include

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multiple ways to stimulate sales.” However, the reason for combining cited by the Examiner, namely that “incentives often include multiple ways to stimulate sales”, fails to suggest why a practitioner of the system taught by Scroggie would be motivated to combine Scroggie’s system with that of Woolston, or vice versa. A specific teaching for the proposed combination is requested.

The Claim Rejections

Each claim is discussed below in light of the rejection. In summary, a *prima facie* showing of unpatentability has not been made for any claim.

Claim 1, 87-89

Independent claims 87 - 89 generally recite limitations similar to the limitations of method claim

1. Accordingly, the arguments below for claim 1 are applicable to independent claims 87 - 89.

Limitations:

The Examiner has not shown that any of the prior art of record discloses the following limitation recited by claim 1:

arranging through a communication network for a buyer to (i) purchase a product from a seller at a first price, and (ii) take possession of the product at a retailer that offers the product for sale at a second price, wherein the retailer is not the seller

Neither Scroggie nor Woolston teach “arranging...for a buyer to purchase a product from a seller...and take possession of the product at a retailer..., wherein the retailer is not the seller”

The Examiner cites Fig. 14 from Scroggie as evidence that “Scroggie discloses that buyers may order and purchase products from a seller over a communication network at a first price.” However, Fig. 14 teaches that a “consumer purchases items during store visits,” and that a “consumer makes [a] purchase in [a] store and receives value for [an] incentive”, where the incentive is generated by an “on-line system”. Clearly, this is not “purchasing products...over a communication network”.

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In addition, in *Scroggie* the buyer exercises an incentive at a retailer. This is clearly not "taking possession of [a] product at a retailer, different from the seller [of the product]".

Scroggie arguably teaches:

logging in a remotely located customer using identity data and geographic region data transmitted by the customer over a communication network; transmitting back to the registered customer a plurality of incentive offers, the incentive offers being exercisable in the customer's geographic region; and then receiving incentive offer selection data from the customer over the communication network, the offer selection data including the designation of a retailer at which selected offer or offers may be exercised. (col 1, lines 47-55)

Scroggie also arguably teaches that "the purchasing incentive offers...of the invention are derived from two sources: product manufacturers and retailers. (col. 2, lines 37-39)" *Scroggie* arguably further teaches "receiving...a designation of a retailer at which [an] offer...may be exercised (col. 1, lines 52-55)." However, exercising an incentive at a retailer, that is not the provider of the incentive (e.g., a manufacturer), is not the same thing as "taking possession of [a] product at a retailer that is not the seller [of the product]".

Further, although *Woolston* arguably teaches,

"The participant may then be presented with the choice of directing the delivery of the Frank Robinson card to a desired location...(col. 5, lines 21-23)"

Woolston does not teach "arranging...for a buyer to...take possession of [a] product at a retailer...", let alone "a retailer [that] is different from the seller." In *Woolston*, the buyer does not ever take possession of anything at a retailer.

Claims 2 - 24 and 26 - 61

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Claims 2-24 and 26-61 are dependents of claim 1. Therefore, claims 2-24 and 26-61 are patentable for at least the reasons given for claim 1.

Claim 62

Limitations:

As discussed above with respect to claim 1, the Examiner has not shown that any of the prior art of record discloses the following claim limitation:

arranging for the buyer to take possession of the product at a retailer that offers the product for sale at a second price, wherein the retailer is not the seller

Claims 63-65

Claims 63-65 are dependents of claim 62. Therefore, claims 63-65 are patentable for at least the reasons given for claim 62.

Claims 66-83

Claims 66-83 are dependents of claim 1. Therefore, claims 66-83 are patentable for at least the reasons given for claim 1.

Claim 84

Claim 84 is a dependent of claim 62. Therefore, claim 84 is patentable for at least the reasons given for claim 62.

Claim 85

Limitations:

The Examiner has not shown that any of the prior art of record discloses the following claim limitation:

sending a pseudo payment identifier to the buyer

According to Applicants' specification:

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A redemption code may be a "pseudo" credit card number if, for example, it can be entered into (and processed by) a retailer device, such as a Card Authorization Terminal (CAT) device, as if it was a real credit card number.

Scroggie states: "The system merges this customer-supplied information (270) with other purchase incentive data (272) and creates a printable graphical image of the purchasing incentive (282) for transmission to the customer. (abstract)" However, in Scroggie there is no indication that this "purchase incentive data" is processed like a credit card number.

Similarly, since nothing in Scroggie or any other reference can be considered a "*pseudo payment identifier*", the Examiner has not shown that any of the prior art of record discloses the following claim limitation:

receiving the pseudo payment identifier from the retailer

Claim 86

Claim 86 is a dependent of claim 85. Therefore, claim 86 is patentable for at least the reasons given for claim 85.

Claims 87-89 (see claim 1)

Claim 90

Limitations:

The Examiner has not shown that any of the prior art of record suggests the following limitation recited by claim 90:

receiving redemption information from the purchasing system

Applicants' specification refers to redemption information at least in the following passage:

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According to another embodiment of the present invention, the purchasing system device 300 arranges for a buyer to purchase a product and transmits ~~redemption information~~, including a "redemption code," to the buyer device 200, such as through the communication network 100. As used herein, a "redemption code" may be, for example, a unique alphanumeric sequence of digits. In general, however, ~~the redemption code may be anything capable of being identified~~, such as a one or two dimensional bar code, that ~~represents the right of the buyer to take possession of the product at a retailer~~. As used herein, the phrase "bar code" includes any machine readable information. The redemption information can also include information that enables the creation of a voucher. For example, a printer attached to a PC may be used to print a voucher including the redemption code.

Scroggie arguably teaches: "The system merges this customer-supplied information (270) with other purchase incentive data (272) and creates a printable graphical image of the purchasing incentive (282) for transmission to the customer. (abstract)" However Scroggie does not teach "redemption information", because there is no indication that the "purchasing incentive" or anything else in Scroggie ~~represents the right of~~ "the buyer to take possession of [a] product."

Woolston likewise does not teach "receiving redemption information" since Woolston does not suggest "a buyer [taking] possession of [a] product at a retailer" at all, let alone "a right of [a] buyer to take possession of the product at a retailer".

Similarly, since no reference suggests any sort of "redemption information", the Examiner has not shown that any of the prior art of record suggests the following limitation from claim 90:

providing the redemption information to a retailer that offers the product for sale at a second price

Claim 91

91. A method of providing products to buyers using a purchasing system, comprising:

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arranging to provide a product in exchange for a settlement price;
receiving redemption information from a buyer;
sending the redemption information to the purchasing system;
receiving from the purchasing system a verification authorizing the buyer to take possession of the product;
providing the product to the buyer; and
receiving payment of the settlement price.

Limitations:

The Examiner has not shown that any of the prior art of record discloses the following limitations recited by claim 91:

receiving redemption information from a buyer

sending the redemption information to the purchasing system

As discussed above with respect to claim 90, neither Scroggie nor Woolston teaches "redemption information", much less any of the recited steps involving "redemption information".

Claims 92-94 are cancelled

Claim 95

Limitations:

The Examiner has not shown that Scroggie teaches the following limitation from currently amended claim 95:

arranging through a communication network for a buyer to render payment equal to a first price, through the communication network, to a seller for a product, the product being offered for sale by the seller for the first price;

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Scroggie does not teach that a buyer renders any payment through a communication network. Scroggie only arguably teaches that a "consumer makes a purchase in [a] store" (FIG. 14).

As discussed previously, the Examiner has not shown that Woolston teaches the following limitation recited by claim 95:

arranging for the buyer to take possession of the product at a retailer that offers the product for sale at a second price

Woolston does not teach "taking possession of [a] product at a retailer" by anyone, for any reason.

Motivation to Combine:

The Examiner has not demonstrated that any reference of record provides a motivation to combine Scroggie and Woolston in order to teach claim 95. For at least this reason, the Examiner has not met the burden of establishing a *prima facie* case of obviousness based upon the prior art.

Claims 96-100

Claims 96-100 are dependents of claim 95. Therefore, claims 96-100 are patentable for at least the reasons given for claim 95.

Claim 101

Limitations:

As discussed above with respect to claim 1, the Examiner has not shown that any of the prior art of record discloses the following limitation:

arranging through a communication network for a buyer to (i) purchase a product from a seller at a first price, and (ii) take possession of the product at a retailer that offers the product for sale at a second price, wherein the retailer is not the seller

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Limitations:

As discussed above with respect to claim 1, the Examiner has not shown that any of the prior art of record discloses the following limitation:

arranging through a communication network for a buyer to (i) purchase a product from a seller at a first price, and (ii) take possession of the product at a retailer that offers the product for sale at a second price, wherein the retailer is not the seller

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Conclusion

For the foregoing reasons it is submitted that all of the claims are now in condition for allowance and the Examiner's early re-examination and reconsideration are respectfully requested.

Alternatively, if there remains any question regarding the present application or any of the cited references, or if the Examiner has any further suggestions for expediting allowance of the present application, the Examiner is cordially requested to contact Geoffrey Gelman at telephone number 203-461-7331 or via electronic mail at ggelman@WalkerDigital.com.

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